

## REVENUE DEPARTMENT[701]

## Adopted and Filed

Pursuant to the authority of Iowa Code sections 421.14 and 422.68, the Department of Revenue hereby amends Chapter 68, "Motor Fuel and Undyed Special Fuel," Iowa Administrative Code.

Notice of Intended Action was published in IAB Vol. XXXV, No. 4, p. 351, on August 22, 2012, as **ARC 0285C**.

The subject matter of rule 701—68.2(452A) is the tax rates applicable to motor fuel and undyed special fuel. The amendments are necessary to change the expiration date of the current excise tax rates on motor fuel in subrule 68.2(2) in order to reflect the passage of 2012 Iowa Acts, House File 2472, and to amend the implementation clause of the rule.

There have been no substantive changes to the amendments published under Notice of Intended Action.

The amendments will not necessitate additional expenditures by political subdivisions or agencies and entities which contract with political subdivisions.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 452A.3 as amended by 2012 Iowa Acts, House File 2472.

These amendments will become effective November 21, 2012, after filing with the Administrative Rules Coordinator and publication in the Iowa Administrative Bulletin.

The following amendments are adopted.

ITEM 1. Amend subrule 68.2(2) as follows:

**68.2(2)** Except as otherwise provided in this subrule, until June 30, ~~2012~~ 2013, this subrule shall apply to the excise tax imposed on each gallon of motor fuel used for any purpose for the privilege of operating motor vehicles in this state. The rate of the excise tax shall be based on the number of gallons of ethanol blended gasoline that is distributed in this state as expressed as a percentage of the number of gallons of motor fuel distributed in this state. Aviation gasoline shall not be used, beginning calendar year January 1, 2009, in determining the percentage basis for the tax rates effective July 1, 2010, and after. The number of gallons of ethanol blended gasoline and motor fuel distributed in this state shall be based on the total taxable gallons of ethanol blended gasoline and motor fuel as shown on the fuel tax monthly reports issued by the department for January through December for each determination period. The department shall determine the percentage for each determination period beginning January 1 and ending December 31. The rate for the excise tax shall apply for the period beginning July 1 and ending June 30 following the end of the determination period. The rate for the excise tax shall be as follows:

<u>Ethanol %</u>	<u>Ethanol Tax</u>	<u>Gasoline Tax</u>
00/50	19.0	20.0
50+/55	19.0	20.1
55+/60	19.0	20.3
60+/65	19.0	20.5
65+/70	19.0	20.7
70+/75	19.0	21.0
75+/80	19.3	20.8
80+/85	19.5	20.7
85+/90	19.7	20.4
90+/95	19.9	20.1
95+/100	20.0	20.0

Except as otherwise provided in this subrule, after June 30, ~~2012~~ 2013, an excise tax of 20 cents is imposed on each gallon of motor fuel used for any purpose for the privilege of operating motor vehicles in this state.

ITEM 2. Amend rule ~~701—68.2~~**(452A)**, implementation sentence, as follows:

This rule is intended to implement Iowa Code section 452A.3 as amended by ~~2009~~ 2012 Iowa Acts, ~~Senate File 419, section 44~~ House File 2472, and sections 452A.8 and 452A.85.

[Filed 9/26/12, effective 11/21/12]

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 10/17/12.